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SUBJECT: SEOUL - PRESS BULLETIN; August 03, 2009

TOP HEADLINES

Chosun Ilbo, JoongAng Ilbo, Dong-a Ilbo,
Hankook Ilbo, Segye Ilbo, Seoul Shinmun
Ssangyong Likely to Face Liquidation
After Negotiations Fall Apart

Hankyoreh Shinmun
Ssangyong Motor Unable to Reach Deal with Union;
"Colossal Collision" Looms While Government Sits on Its Hands

DOMESTIC DEVELOPMENTS

North Korea's state-run media said on August 1 that Pyongyang has seized an ROK ship for illegally violating its waters. (Chosun, Hankook)

ROK military sources said that the sole remaining battalion of 24 Apache choppers may depart following the 2012 transfer of wartime operational control. The ROKG is considering plans to form a separate unit of attack helicopters for defense reinforcement purposes. (Chosun, Dong-a, Hankook, Hankyoreh, Segye) Military sources said that Washington will station one dozen F-15E Strike Eagle jets at Kunsan Air Base to replace 12 F-16 Fighting Falcon jets currently stationed at Suwon. (JoongAng, Dong-a)

INTERNATIONAL NEWS

According to the Associated Press, the Obama Administration suggested to the Chinese that the U.S. and China should discuss a contingency plan in case the North Korean regime collapses, but the Chinese government rejected the overture. (Chosun)

Australia's Sydney Morning Herald reported on August 1 that North Korea is helping Myanmar build a s-e-c-r-e-t nuclear reactor and plutonium extraction plant to make an atomic bomb, citing the evidence of defectors. (Chosun, Segye)

Former U.S. President George W. Bush, who is on a visit to Jeju Island to attend a forum organized by the Federation of Korean Industries (FKI), met with ROK President Lee Myung-bak. (Chosun, Dong-a, JoongAng, Hankook, Segye) Former President Bush expressed regret Saturday over the delay in ratifying the Korea-U.S. Free Trade Agreement (KORUS FTA) signed in 2007. (Dong-a, JoongAng, Hankook)

Assistant Secretary of State for Public Affairs Philip J. Crowley hinted at a July 31 briefing that the U.S. Government will continue considering whether to relist North Korea as a state sponsor of terrorism. (Segye)

MEDIA ANALYSIS

-North Korea

Most ROK media gave wide attention to a report that quoted ROK military sources as saying that the U.S. may pull its remaining battalion of Apache attack helicopters out of the ROK by 2012, when operational control (OPCON) of troops during wartime is transferred to the ROK. The media also reported that the ROKG is considering plans to form a separate unit of attack helicopters for defense reinforcement purposes. Conservative Chosun Ilbo reported that an ROK military official said the military is looking at ways to boost the capabilities of its own attack helicopter unit to fill the

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vacuum that will be left by the withdrawal of the last USFK Apache helicopter battalion.

In a related development, right-of-center JoongAng Ilbo cited an ROK military source as saying on August 2 that Washington will station a dozen F-15E Strike Eagle jets at Kunsan Air Base to replace the 12 F-16 Fighting Falcon jets at Suwon Air Base. The source said the move is designed to ease concerns caused by the planned withdrawal from the ROK of a battalion of AH-64 Apache attack helicopters.

Chosun Ilbo gave front- and inside-page play to a report that, according to the Associated Press (AP), the Obama Administration suggested that the U.S. and China discuss a contingency plan in case the North Korean regime collapses, but the Chinese government rejected this overture. The media noted, citing the AP report, that according to diplomatic sources and Chinese scholars, the U.S. asked China in several meetings with senior Chinese officials, including in one meeting with Deputy Secretary of State James Steinberg in June, to discuss the post-Kim Jong-il scenario, but China declined the suggestion. The newspaper said China has refused to discuss the plan, apparently because it does not believe post-Kim North Korea will collapse and worried that such a plan would only upset North Korea. Chosun Ilbo noted in its inside page analysis that the AP report is significant in two aspects. First, the U.S. sees any contingency situation in North Korea as an impending crisis. Second, in case any emergency occurs in North Korea, cooperation between the U.S and China will not be easy because China has a different view of the post-Kim North Korea and maintains the position that should the North collapse, it would be possible to solve the situation through the UN.

FEATURES

U.S. PLANS TO DEPLOY ALL-WEATHER ATTACK AIRCRAFT F-15E TO ROK
(JoongAng Ilbo, August 3, 2009, Page 13)

By Reporter Chung Yong-soo

The U.S. plans to replace rotationally deployed F-16 fighters in the ROK with advanced F-15E Strike Eagles.

"The F-16 aircraft that were deployed to Suwon Air Base early this year will be replaced with F-15E fighter jets," a military source said on August 2. "They will be stationed at Kunsan Air Base for six months starting from August 20."

Twelve F-15Es will be deployed directly from the U.S. along with 400 support personnel, and be mobilized in the "Ulchi Freedom Guardian (UFG)" military drill that starts on September 17. This March, USFK stationed the dozen F-16 aircraft at Suwon Air Base to fill the gap left by the withdrawal of the U.S. Apache battalion. The Apaches were mainly aimed at defeating (North Korea's) armored forces and obstructing the invasion of (North Korea's) Special Forces units.

On the other hand, the F-15E has long-range precision bombing capability. Therefore, many observers say that the deployment of the F-15E to the ROK is designed for the U.S. Air Force to strengthen its war capabilities (in the region).

"In the past, the F-15Es have patrolled over the Korean Peninsula or joined military drills," said an expert on national defense. "However, their long-term deployment this time can be viewed as the buildup of war potential, especially considering Washington's hard-line policy toward North Korea."

Armed with advanced avionics equipment, the F-15E has all-weather air-to-air or air-to-ground attack capabilities. In particular, since it is fitted with the "low-altitude navigation and targeting infrared for night" (LANTIRN) system, the F-15E can conduct precision bombing at night. It can also carry six MK-82 bombs, four CBU-52/58/71 cluster bombs, and GBU-10/12/15 laser-guided bombs.

Defense Ministry plans to enhance attack helicopter capabilities

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The ROK Ministry of National Defense is looking at ways to boost the capabilities of its own attack helicopter unit in order to conduct military operations independently, and to prepare for the pullout of the USFK's last Apache helicopter battalion, which is expected to come after the transfer of wartime operational control of ROK troops to Seoul in 2012.

"The 500MD Defenders and Cobra helicopters that the (ROK) Army's attack helicopter unit has will leave soon," a Defense Ministry official said. "The ROK Army could replace its own existing attack helicopter unit with used Apache helicopters or reinforce the unit by developing a new chopper."

Another official noted, "A final decision on what helicopter will be chosen for development will be made around the middle of next year. The helicopter will likely be developed locally with some technological help from a foreign company."

ACTIVE DEBATE IN THE U.S. OVER NORTH KOREA CONTINGENCY ...
WASHINGTON EVEN ASKED BEIJING TO DISCUSS DEVISING JOINT MEASURES
(Chosun Ilbo, August 3, 2009, Page 4)
By Reporter Kang In-sun

News & View

The recent AP report that China has declined a suggestion from the U.S. to discuss a North Korean contingency plan is noteworthy in two respects.

First, the report confirms that the U.S. sees a North Korea contingency as an "imminent crisis." For China, the most sensitive North Korean issue is not Pyongyang's nuclear ambitions but its regime stability. This is because, for China, North Korea serves as a buffer against the growing influence of the U.S. and Japan in Northeast Asia. Although the U.S. was well aware of this, it asked Beijing to discuss a "North Korea contingency," which reveals that the U.S. considers the current situation urgent.

Second, in the event of an emergency in North Korea, cooperation between the U.S. and China, which is essential to minimizing uncertainty, will not be easy. Although Deputy Secretary of State Steinberg raised the issue (of discussing a North Korea contingency) through an official channel, China "rejected" it, thereby clearly stating that no common ground can be found between the views of

China and the U.S.

Right after President Obama took office this January, Washington began showing signs of shifting its focus on North Korea policy toward a contingency plan. U.S. experts started saying that with North Korean leader Kim Jong-il's health problems looming large, the substance of the North Korean issue had changed. If the North Korean nuclear issue is a long-term challenge, the succession issue in the North and any possible chaos that results are imminent matters. Furthermore, if (the U.S.) fails to prepare for an emergency in the North properly, (the U.S.) could fall into a situation where the transfer of nuclear materials, which the U.S. thinks is the biggest threat, cannot be controlled.

In the 1990s, observers speculated that if North Korea collapsed, it would be attributed to food shortages and political uncertainties caused by economic difficulties, and the human rights issue. Recently, however, discussions about an emergency in the North involve North Korean leader Kim's failing health, transfer of power, the possibility that the nuclear issue may not be resolved peacefully, and contingencies sparked by North Korea's resistance against international sanctions.

In Washington, there has been active debate about a new emergency in the North. The Council on Foreign Relations (CFR) said in its January report titled, "Preparing for Sudden Change in North Korea," that if North Korea falls into a chaos, its potential threat cannot be resolved by only the ROK and the U.S. Therefore, the CFR

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recommended that the U.S. clear up any misunderstandings and share potential concerns with China through closed-door discussions.

Korean Peninsula experts in Washington also presented various views.

Michael O'Hanlon, a senior fellow at the Brookings Institution, argued last month that, if a problem develops with North Korea's nuclear materials - a threat to U.S. security - in the event of North Korea's collapse, the U.S. needs to consider stationing its forces in the North.

Bruce Bechtol, a professor at the Marine Corps Command and Staff College, warned in a seminar, "If (North Korea's) party breaks up and its military undergoes a factional power struggle before a successor to Kim builds his power base, internal warfare may break out in the North." Dr. James Przystup with the Institute for National Strategic Studies (INSS) recently said in Seoul, "We should prepare contingency measures, including comprehensive political and economic plans."

Inside the Obama Administration, Secretary Clinton first mentioned the North Korean succession issue specifically during her visit to Seoul in February while mentioning the consequent possibility of crisis. This was followed by other USG officials' remarks. Assistant Secretary of Defense for Global Strategic Affairs Michael Nacht said in a July 15 House hearing that the U.S. would develop all possible scenarios for the future of North Korea and come up with countermeasures against them.

Adm. Timothy Keating, Commander of U.S. Pacific Command, said on July 22, "We have plans with the U.S. Forces Korea and others in place if the President tells us to execute those plans in the event of some uncertain succession in the North."

STEPHENS